

INTER-AMERICAN TROPICAL TUNA COMMISSION

WORKING GROUP ON FINANCE

2ND MEETING

Mexico City, Mexico

February 9-10, 2000

CHAIRMAN'S REPORT

AGENDA

1. Opening of the meeting
2. Adoption of the agenda
3. Review of the first meeting of the Financial Working Group (October 7-10, 1999)
4. Consideration of the IATTC budget for FY 2001
5. Development of a possible system of contributions for subsequent years
6. Review of budget contributions for FY 2001
7. Other business
8. Adjournment

APPENDICES

1. List of attendees
2. Report of the 1st Meeting of the Finance Working Group, October 1999
3. Resolution on financing the Inter-American Tropical Tuna Commission, adopted at the 65th Meeting of the IATTC, October 1999
4. Example budget allocation 1
5. Example budget allocation 2

The 2nd Meeting of the IATTC Working Group on Finance was held in Mexico City, Mexico, on February 9-10, 2000. The attendees are listed in Appendix 1.

Lic. Carlos Camacho, Undersecretary of Fisheries of Mexico, welcomed the Working Group, noting the importance of the issue and encouraging all to make an effort to develop a fair and equitable system to provide the IATTC with sufficient funds for its activities. He suggested that there be a base fee as well as a variable payment based on appropriate criteria, including catches and level of development. He also suggested that consideration be given to determining if some contribution should be made by non-governmental organizations, given their active involvement in all aspects of IATTC at this time and the openness of the decision process, and that this principle has been adopted in other international organizations.

In the absence of the Chairman of the Working Group, Svein Fougner, of the United States was elected to chair the meeting.

The provisional agenda was approved with a change in the order of two items.

The meeting began with a review by the Director of the report of the previous meeting of the Working Group (Appendix 2) and the resolution of the 65th Meeting of the IATTC in October 1999 (Appendix 3). It was agreed that the charge to the group was to (a) develop a system for determining the obligations of Parties for financing the IATTC in the future and (b) determine the contributions of Parties for the 2001 financial year (FY). It was noted that several alternative funding arrangements had been discussed in October 1999, including a proposal by Panama that included base fee and variable payment components.

It was agreed that the approved budget for FY 2001 would provide the basic target level of revenue for the comparison of funding systems. In this regard, there was some discussion of the relationship between the IATTC's Tuna-Dolphin Program, which was included in the regular budget, and the International Dolphin Conservation Program (IDCP), which is administered separately and funded by assessments on vessels. It was emphasized that the Tuna-Dolphin Program had been in existence for over 20 years, and included extensive research on the dolphin populations of the eastern Pacific Ocean (EPO) as well as an observer program designed to cover 30% of the trips made by large purse-seiners in the EPO. Also, the observers collected a great deal of valuable information on the fishery generally, not just on dolphin abundance and mortality. In previous discussions the IATTC had agreed that this separation of the Tuna-Dolphin Program and the IDCP was appropriate. The Working Group agreed that, for purposes of comparing the ability of different approaches to meet the full approved budget, the Tuna-Dolphin Program would be included in the target revenue level.

It was noted that this issue is very important given the changes in the fisheries over the past several years and the indication that the United States will not be able to cover the same share of total costs that it has in the past. It was agreed that a system based on a formula is necessary so that each individual Party's Commissioners will be able to explain to their legislatures and budget officials the system and rationale by which the Parties' contributions were determined. The questions to be answered were:

1. What should that formula encompass?
2. How would the system be applied in FY 2001 and in future years?

The next matter discussed was the criteria to consider in developing a formula system. One delegation suggested that, as in the Panama proposal, the formula should have two fundamental components: a base fee for each Party to cover some portion of the overall IATTC budget (suggestions ranged from 5% to 20%) and a variable payment based on such factors as participation in the fisheries, level of national development, and programs of special interests to different Parties. It was noted that the Panama proposal included a base fee, although it was nominal for many Parties even if they had large catches. Some Working Group members argued for low base fees for Parties which did not yet have significant participation in the fisheries and therefore did not gain a significant benefit from the resources of the EPO. Oth-

ers suggested that the base fee should cover 10-20% of the total budget, and it was noted that the Indian Ocean Tuna Commission covers 10% of its budget through base fees. Some also suggested that the base fee should be indexed to national development level, while others spoke against that adjustment. However, none argued against the concept of a base fee.

With respect to participation in the fisheries, it was noted that the IATTC Convention required that the concept of “utilization” be used in determining national contributions to the IATTC budget. There was considerable discussion of the meaning of this term. The Director reported that, for the purposes of calculating budget contributions, a Party’s “utilization” was considered to be the amount of tuna from the EPO consumed or substantially processed in the territory of that Party, generally two years before the financial year for which the budget contributions were being calculated. Utilization figures are calculated on the basis of information obtained from vessel logbooks, port unloading records, and other sources, including export data from individual commercial companies. It was concluded that a Party’s “utilization” was the sum of tuna from the EPO landed in that Party’s territory, less exports of unprocessed or lightly processed tuna, plus imports of unprocessed or lightly processed tuna. However, this definition does not include tuna caught in the EPO but landed outside the region, and it was agreed that this is a shortcoming of the current system; catches by a nation’s vessels are as important as, or perhaps more important than, that nation’s “utilization”, and should be included in the formula. It was noted that such figures should be readily available for use in the system.

There was considerable discussion about the concept of weighting contributions in relation to the level of national development. That is, Parties with strong, developed economies would have a greater ability to provide funding for the IATTC’s activities. It was noted that this concept has been agreed to in many international arrangements, including other international fishery conventions, and all agreed that it should be applied in the IATTC as well. Further, some Parties may have a special interest in addition to participation in the fisheries, such as conservation of dolphins, although it was noted that there were other special interests as well. This concept was strongly supported by some, including the United States, although it was recognized that developing criteria to quantify the possible range of such interests and provide a basis for setting the contribution is difficult. France noted that its “national development” factor should be scaled to the level of development of French Polynesia, at least after the European Community joined the IATTC, since France represented French Polynesia in IATTC fisheries matters. However, it was understood that until then the development factor should be scaled to the level of development of metropolitan France.

Another matter discussed was the general principles that should be reflected in the ultimate, long-term financing system. These included:

1. The system should be transparent; that is, it should be clear and easy to understand;
2. All Parties have an interest in the IATTC’s work, and so each Party should pay some share of the costs;
3. The system should be stable and predictable, such that a Party should be able to estimate with reasonable confidence what its future obligations will be, at least in the near term;
4. All catches of fish managed by the IATTC should be considered in determining participation in the fisheries;
5. The system should have some flexibility, recognizing that it may take some time for individual Parties to adjust to the new system and that provision is needed to accommodate new entrants.

While there was agreement on the principles and criteria, there was considerable discussion about the weight to assign to different criteria and principles. For example, as noted earlier, some delegations thought that the base fee should cover 5% of the total budget; others thought that 10% or even 20% should be covered by the base fee. Mexico argued for a higher base fee, pointing out that the IATTC was

unique among international fisheries organizations in having its own permanent scientific staff; this was a great advantage for the Parties, since it gave them access to data and expertise, but it was expensive, and the cost should be borne by all the Parties since they all benefited. Some suggested that a high base fee would not adequately recognize that some nations have little participation in the fisheries at this time, and that increases in base fees should be linked to development of their fisheries. Similarly, some thought that national level of development should be factored only into the variable payment, others thought that it should be factored into both the base fee and variable payment.

It was agreed that the discussions would make better progress if the Working Group could see numbers derived from some of the alternatives discussed, based on the budget of US\$4.785 million approved for FY 2001. The staff was asked to develop tables that would show national contributions if 5%, 10%, and 20% of the budget were covered by base fees (equal for all Parties), and the remainder by variable payments based on catch and utilization (as historically defined), with the weighting of these payments based on World Bank development categories. This would provide the Working Group with a more solid basis for comparing the alternatives and making judgments about whether they were feasible, long-term and short-term, and reasonable. The staff was asked to consider and incorporate other factors in developing the tables, and explain these subsequently if necessary.

The Director presented the table in Appendix 4¹. Substantial discussion followed about the merits of the alternatives. It was noted that the weighting by development level might be adjusted to give more weight to the more developed nations, and could possibly incorporate the “special interest” component in some manner. Some participants suggested that the portion of the FY 2001 budget allocated to the Tuna-Dolphin Program be separated or combined with the IDCP budget, but this was not agreed to. However, the Director indicated that tables incorporating an estimate of the portion of the Tuna-Dolphin Program concerned exclusively with dolphins could be developed for the IATTC meeting in June. It was then requested that the staff rework the tables by giving more weight to level of development and special interests.

This resulted in the tables in Appendix 5², which show the contributions that would result from a combination of fixed and indexed base fees and indexed variable payments with 5 categories of level of development. The discussions focused on these numbers. It was acknowledged that, for some Parties, it would not be possible to achieve even the 5% base unindexed level by 2001 because budgets for that period were already set or because there was not enough time to develop plans geared to generating that level of revenue at the national level. This led to the concept that FY 2001 would be a transition year in which national contributions would be guided by the formula but not fixed by it. For example, the United States has already committed to a contribution of US\$2.4 million, which might allow some other Parties’ contributions to be reduced in this transition year. If the formula were to incorporate a “three-year average” concept for determining the participation in the fishery, this also could provide a basis for lower contributions in initial years. However, it was noted that it is important that Parties commit to abide by the formula in future years, including upward adjustments in contributions if necessary. These commitments will be necessary at the IATTC meeting in June 2000, when final contribution levels are established for FY 2001.

In summary, there was support for presenting to the IATTC Plenary, for discussion and decision, the tables in Appendix 5. These tables show contribution levels derived from a system that meets the fundamental principles and criteria agreed by the Working Group for a fair and equitable system of long-term financing of the IATTC.

¹ Note: The tables in Appendices 4 and 5 are based on complete and accurate 1998 catch data, and supersede the tables presented at the meeting.

² See previous footnote

This system

- would include all the Parties;
- is transparent;
- recognizes the different levels of development of the Parties;
- is stable and predictable;
- can accommodate new members as they join;
- is based on data that are readily captured and available in a timely manner.

The system comprises a base fee and a variable payment.

The variable payment would be based on catch and utilization (equally weighted) and indexed to account for national level of development and such other factors as the Parties may agree on.

Consideration would be given to phasing in the increased base fees over a period of two or three years.

The system allows contributions to be recalculated at any time that a new Party joins the IATTC, much as the current system does.

There was no agreement on specific contribution levels to be recommended for FY 2001, but there was a sense that there should be an attempt to link the FY 2001 contribution levels to the formula ultimately adopted for FY 2002 and beyond. In this context, it is noted that, while the contribution levels of some Parties are already set for FY 2001 and cannot be significantly altered in that year, the United States has agreed to provide US\$2.4 million, which exceeds any of the levels indicated in Appendix 5. The meeting also noted that the Director advised that the Commission is currently in a very sound financial condition. These factors suggest that some flexibility is available to move substantially toward the new system in 2001 without harm to the effective functioning of the Commission.

The Working Group urges the Commission to make decisions on implementing the new, long-term financing system as quickly as practicable, while recognizing the special circumstances of some members in establishing contribution levels for FY 2001. The Working Group recommends that the Commission consider the following in its deliberations:

1. Target level of revenue from base fee (5%, 10%, 20%)
2. Base fee fixed or weighted (by level of participation in the fishery)
3. Weighting of national level of development
4. Incorporation of “special interest” items
5. Time frame for phasing in higher contributions
6. Separation of Tuna-Dolphin Program from regular budget

Appendix 1.

ASISTENTES – ATTENDEES

COSTA RICA

FERNANDO VIQUEZ ALFARO

Instituto Costarricense de Pesca y Acuicultura

EL SALVADOR

MARGARITA S. DE JURADO

Ministerio de Agricultura y Ganadería

ESPAÑA-SPAIN

IGNACIO YBAÑEZ

Secretaría General de Pesca Marítima

FRANCE

MICHEL BESSON

Consejero Comercial

Embajada de Francia en México

JAPAN

JUNICHIRO OKAMOTO

TAKATO MAKI

Ministry of Agriculture, Forestry and Fisheries

MASAHARU SHIMIZU

Ministry of Foreign Affairs

MEXICO

CARLOS CAMACHO GAOS

MARA MURILLO CORREA

RICARDO BELMONTES ACOSTA

Secretaría de Medio Ambiente, Recursos Naturales y Pesca

AIDA PENA JARAMILLO

BLANCA ALICIA GONZALEZ E.

Ministerio de Relaciones Exteriores

PANAMA

LUIS ESCARRAGA

Autoridad Marítima de Panamá

UNITED STATES OF AMERICA

WILLIAM GIBBONS-FLY

Department of State

SVEIN FOUGNER

National Marine Fisheries Service

IATTC - CIAT

ROBIN ALLEN

BRIAN HALLMAN

NORA ROA-WADE

MARCELA CAMPA

NICK WEBB

Appendix 2.

REPORT OF THE CHAIRMAN

LIST OF APPENDICES

- A Proposal for financing the IATTC presented by Panama
- B IATTC budget contributions, FY 2001, based on IOTC formula

The IATTC Working Group on Finance held its first meeting in La Jolla, California, USA, on October 7-10, 1999, in conjunction with the 65th meeting of the IATTC, which took place on October 4-10. Dr. William Hogarth of the United States served as Chairman.

The meeting was called to order on October 7 at 2:45 p.m. The Chairman called the attendees' attention to two documents, Background Paper 3, *Possible systems of allocation of contributions to the budget of the Inter-American Tropical Tuna Commission*, prepared by the IATTC staff, and a proposal for financing submitted by Panama (Appendix A). He pointed out that since the creation of the IATTC most of its budget has been paid by the United States, but that it is getting more difficult to get appropriations from the U.S. Congress. The representative of the United States agreed with the Chairman, and stated that it would be better for the IATTC if reductions in the U.S. contributions were agreed upon by the Commission than if they were imposed by the U.S. Congress.

The representative of the United States indicated that his country would be willing to contribute \$2,800,000¹ for the 2000 fiscal year (FY 2000; October 1, 1999-September 30, 2000) and \$2,400,000 for FY 2001, and the representative of Mexico indicated that his country would be willing to contribute \$1,000,000 for FY 2000. The IATTC's recommended budget for FY 2000 is \$4,701,333, and a budget of \$4,785,849 has been tentatively agreed on for FY 2001. In fact, the actual contributions have been less than the recommended budgets for many years, so a target of \$4,400,000 for FY 2000 was used. Under these circumstances the other members of the IATTC would be asked to contribute approximately \$600,000 for FY 2000 and \$1,385,000 for FY 2001. (There are currently eleven members of the IATTC in all, but additional countries are likely to join in the near future.)

The 1949 Convention establishing the IATTC requires that the contribution of each member be related to the proportion of the catch of tunas in the eastern Pacific Ocean (EPO) "utilized" by that member. Also, there has traditionally been a minimum contribution of \$500 for each member that does not utilize tunas caught in the EPO. "Utilization" is not defined in the Convention itself but in letters exchanged between Costa Rica and the United States, the two original members of the IATTC, at the time the Convention was negotiated. The definition of utilization could be modified without amending the Convention.

The systems of assigning contributions employed by the International Commission for the Conservation of Atlantic Tunas and the Indian Ocean Tuna Commission (IOTC) and the system proposed for the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean were reviewed. The contributions of the members to the IATTC budget under the IOTC system, with base payments of: (1) (total budget x 0.1)/(number of members); (2) \$5,000; and (3) \$20,000, are shown in Appendix B.

¹ All figures are in US dollars

It was pointed out that recent international agreements and proposed agreements call for transparency, and that information on utilization of tunas is much more difficult to obtain than information on landings of tunas.

The representatives of several nations noted that the \$500 minimum contribution had not been changed since the IATTC was created, and that it should perhaps be increased. One scheme called for 20 percent of the budget to be divided equally among the members, but the representative of Panama pointed out that this would be an exorbitant amount for a country with only a small tuna industry.

The representative of France stated that his country's position was that the financing of the IATTC should not be restructured until a new convention was adopted.

The representatives of several countries stated that requests for funds for the IATTC budget for FY 2000, and, in one case, FY 2001, had already been submitted to their respective congresses, and it was too late to revise these.

The IATTC's income from money paid by the vessel owners to pay the costs of placing observers on their boats was noted, but it was agreed that this is not related to its regular budget.

Several drafts of a resolution for financing the IATTC were considered, and one was presented to the plenary. Financing of the IATTC will be considered further at the next meeting of the Working Group, scheduled for February 9-10, 2000.

The meeting was adjourned on October 10, 1999, at 12:30 p.m.

Appendix A.

PROPOSAL FOR FINANCING THE IATTC PRESENTED BY PANAMA

(US\$)	Base contribution	GDP (A)	Catch (B)	Utilization (C)	A(B+C)	% of total	Variable assessment	Contribution
France	1,000	26,672	-	2,186	58,304,992	1	43,472	44,472.07
Japan	1,000	36,589	40,913	17,363	2,132,260,564	34	1,589,809	1,590,808.55
Mexico	1,000	3,417	58,875	103,412	554,534,679	9	413,459.78	414,459.78
USA	1,000	28,857	27,558	74,738	2,951,955,672	47	2,200,971.34	2,201,971.34
Costa Rica	1,000	2,522	1,501	14,287	39,817,336	1	29,687.71	30,687.71
Ecuador	1,000	1,586	55,898	49,762	167,576,760	3	124,944.85	125,944.85
Panama	1,000	3,032	8,763	-	26,569,416	0	19,810.10	20,810.10
Vanuatu	1,000	1,509	33,796	-	50,998,164	1	38,024.11	39,024.11
Venezuela	1,000	3,151	67,438	30,526	308,684,564	5	230,154.50	231,154.50
El Salvador	1,000	1,708	-	-	-	0	-	1,000.00
Nicaragua	1,000	444	-	-	-	0	-	1,000.00
Total	11,000				6,290,702,147	100	4,690,333.00	4,701,333

Appendix B.

INDIAN OCEAN TUNA COMMISSION

Scheme for the Calculation of Contributions to the Administrative Budget of the Commission

1. Ten percent of the total budget of the Commission shall be divided equally among all the Members.
2. Ten percent of the total budget of the Commission shall be divided equally among the Members having fishing operations in the Area targeting species covered by the Commission.
3. Forty percent of the total budget shall be divided among the Members on the basis of *per caput* GNP for the calendar year three years before the year to which the contributions relate, weighted according to the economic status of the Members in accordance with the World Bank classification as follows and subject to change in the classification thresholds: high-income Members shall be weighted by the factor of 8; middle-income Members by the factor of 2; low-income Members by the factor of 0.
4. Forty percent of the total budget shall be divided among the Members in proportion to their average catch in the three calendar years beginning with the year five years before the year to which the contributions relate, weighted by a coefficient reflecting their development status. The coefficient of OECD members and EC shall be 1, and the coefficient of other Members shall be one-fifth.

IATTC budget contributions, FY 2001, based on IOTC formula, using GDP in place of GNP
 Contribuciones al presupuesto de la CIAT, AF 2001, basadas en la fórmula de la CTOI, usando PIB en lugar de PNB

	Average catch Captura media 1994-1996	<i>Per capita</i> GDP classification ¹ Clasificación por PIB per cápita ¹	Catch indexed to per capita GDP Captura indizada a PIB per cápita	Shares indexed to GDP Porción indi- zada a PIB	Contribution by GDP Contribución por PIB	Contribution by catch Contribución por captura	Base pay- ment Cuota base	Operation Operación	Total contri- bution Contribución total	Percent con- tribution Contribución porcentual
IOTC formula – Fórmula de CTOI										
Costa Rica	-	1	-	2	119,646	-	43,508	-	163,154	3.41%
Ecuador	58,938	1	11,788	0	-	84,309	43,508	59,823	187,640	3.92%
El Salvador		1	-	0	-	-	43,508	59,823	103,331	2.16%
France	-	2	-	8	478,585	-	43,508		522,093	10.91%
Japan	57,852	2	57,852	8	478,585	413,778	43,508	59,823	995,694	20.80%
México	143,563	1	28,713	2	119,646	1,026,805	43,508	59,823	1,249,782	26.11%
Nicaragua	-	1	-	0	-	-	43,508	-	43,508	0.91%
Panamá	7,836	1	1,567	2	119,646	11,210	43,508	59,823	234,187	4.89%
USA	32,538	2	32,538	8	478,585	232,724	43,508	59,823	814,640	17.02%
Vanuatu	43,567	1	8,713	0	-	62,321	43,508	59,823	165,652	3.46%
Venezuela	58,158	1	11,632	2	119,646	83,192	43,508	59,823	306,169	6.40%
Total	402,453		152,803	32	1,914,340	1,914,340	478,585	478,585	4,785,849	100.00%

¹ 1 = 1996 *per capita* GDP < US\$4000 – PIB per cápita 1996 < US\$4000; 2 = 1996 *per capita* GDP > US\$4000 – PIB per cápita 1996 > US\$4000

IATTC budget contributions, FY 2001, based on IOTC formula, using GDP in place of GNP
 Contribuciones al presupuesto de la CIAT, AF 2001, basadas en la fórmula de la CTOI, usando PIB en lugar de PNB

Average catch Captura media 1994-1996	Per capita GDP classification Clasificación por PIB per cápita	Catch indexed to per capita GDP Captura indizada a PIB per cápita	Shares indexed to GDP Porción indi- zada a PIB	Contribution by GDP Contribución por PIB	Contribution by catch Contribución por captura	Base pay- ment Cuota base	Operation Operación	Total contri- bution Contribución total	Percent con- tribution Contribución porcentual	
With US\$5000 base payment – Con cuota base de US\$5000										
Costa Rica	-	1	-	2	146,120	-	5,000	-	151,120	3.16%
Ecuador	58,938	1	11,788	0	-	102,964	5,000	6,875	114,839	2.40%
El Salvador	-	1	-	0	-	-	5,000	6,875	11,875	0.25%
France	-	2	-	8	584,481	-	5,000	-	589,481	12.32%
Japan	57,852	2	57,852	8	584,481	505,334	5,000	6,875	1,101,690	23.02%
México	143,563	1	28,713	2	146,120	1,254,006	5,000	6,875	1,412,001	29.50%
Nicaragua	-	1	-	0	-	-	5,000	-	5,000	0.10%
Panamá	7,836	1	1,567	2	146,120	13,690	5,000	6,875	171,685	3.59%
USA	32,538	2	32,538	8	584,481	284,219	5,000	6,875	880,575	18.40%
Vanuatu	43,567	1	8,713	0	-	76,111	5,000	6,875	87,986	1.84%
Venezuela	58,158	1	11,632	2	146,120	101,600	5,000	6,875	259,596	5.42%
Total	402,453		152,803	32	2,337,925	2,337,925	55,000	55,000	4,785,849	100.00%
With US\$20000 base payment – Con cuota base de US\$20000										
Costa Rica	-	1	-	2	135,808	-	20,000	-	155,808	3.26%
Ecuador	58,938	1	11,788	0	-	95,697	20,000	27,500	143,197	2.99%
El Salvador	-	1	-	0	-	-	20,000	27,500	47,500	0.99%
France	-	2	-	8	543,231	-	20,000	-	563,231	11.77%
Japan	57,852	2	57,852	8	543,231	469,670	20,000	27,500	1,060,401	22.16%
México	143,563	1	28,713	2	135,808	1,165,504	20,000	27,500	1,348,811	28.18%
Nicaragua	-	1	-	0	-	-	20,000	-	20,000	0.42%
Panamá	7,836	1	1,567	2	135,808	12,724	20,000	27,500	196,032	4.10%
USA	32,538	2	32,538	8	543,231	264,160	20,000	27,500	854,891	17.86%
Vanuatu	43,567	1	8,713	0	-	70,740	20,000	27,500	118,240	2.47%
Venezuela	58,158	1	11,632	2	135,808	94,430	20,000	27,500	277,738	5.80%
Total	402,453		152,803	32	2,172,925	2,172,925	220,000	220,000	4,785,849	100.00%

Appendix 3.

RESOLUTION ON FINANCING THE INTER-AMERICAN TROPICAL TUNA COMMISSION

10 October 1999

The Parties to the Inter-American Tropical Tuna Commission (IATTC):

Understanding the importance of ensuring sufficient funding for the IATTC so that it may continue to implement effectively the agreed conservation and management program for the living marine resources of the eastern Pacific Ocean;

Aware that an effective system of financing should be equitable for all Parties and should be fully transparent;

Giving due consideration to the requirement in the Convention establishing the IATTC that the proportion of the expenses paid by each Party should be related to the proportion of the total catch utilized by that Party;

Believing that other factors may and should be taken into account in determining the proportion of the expenses paid by each Party;

Have agreed as follows:

1. To contribute to the budget of the IATTC for the financial year (FY) 2000 in accordance with the following schedule of payments:

	(US\$)
Costa Rica	29,891
Ecuador	163,339
El Salvador	574
France	24,219
Japan	298,272
Mexico	1,000,000
Nicaragua	574
Panama	574
United States	2,800,000
Vanuatu	574
Venezuela	77,584
Total	4,395,601

2. To continue working to develop a system of contributions under which each Party pays an equitable share of the Commission's budget, with the goal of adopting the new system at the meeting of the IATTC in June 2000.
3. To submit the various possible systems for allocating the budget among Parties presented for consideration by the Finance Working Group (attached) for internal review in their respective countries, and come to the next meeting of the Finance Working Group, in January 2000, prepared to take decisions in this regard.
4. To consider their contributions of the budget of the IATTC for FY 2001 in the light of the understanding that it is the intention of the United States to reduce its contribution in FY 2001 to a level of approximately US\$2.4 million, with the possibility of further reductions in subsequent years.
5. The actual contribution by each Party for FY 2001 shall be decided at the meeting of the IATTC in June 2000, based on the criteria and system established by the Finance Working Group and other developments, such as the entry of new Parties. Once the criteria and system for establishing the contri-

butions for each Party are agreed by the Parties, and the corresponding contribution for FY 2001 is identified, each Party shall undertake the necessary internal procedures to ensure said contribution.

6. The Parties encourage non-parties that are interested in and participate in the work of the IATTC to make voluntary contributions to the budget of the IATTC during FY 2000 and 2001.

Appendix 4.

Ejemplos de distribución de presupuesto 1 – Example budget allocations 1*

Presupuesto total AF 2001 – Total budget FY 2001 = US\$ 4,785,849

Todo en US\$. Ejemplos incluyen cuota básica + cuota de participación en la pesquería, en tres proporciones. Participación = captura 1998 + utilización 1996; Utilización = descargas – exportaciones + importaciones¹. Participación indizada en todos los casos, por cuatro categorías del Banco Mundial².

All in US\$. Examples include base payment + payment for participation in the fishery, in three proportions. Participation = 1998 catch + 1996 utilization; Utilization = unloadings – exports + imports¹. Participation indexed in all cases, by four World Bank categories².

ESTADOS MIEMBROS – MEMBER STATES

	Cat	Cuota básica fija – Fixed base payment			Cuota básica indizada – Indexed base payment		
		5%:95%	10%:90%	20%:80%	5%:95%	10%:90%	20%:80%
Costa Rica	2	85,581	103,975	140,764	80,330	93,473	119,761
Ecuador	2	816,602	796,522	756,361	811,351	786,020	735,358
El Salvador	2	29,282	50,639	93,355	24,031	40,137	72,351
France	4	41,286	62,012	103,463	52,538	84,516	148,471
Japan	4	625,756	615,721	595,649	637,008	638,225	640,657
México	3	1,559,501	1,500,320	1,381,960	1,562,501	1,506,322	1,393,962
Nicaragua	1	21,754	43,508	87,015	8,251	16,503	33,006
Panamá	2	53,772	73,841	113,978	48,521	63,339	92,975
USA	4	872,209	849,202	803,188	883,461	871,706	848,196
Vanuatu	2	170,512	184,436	212,285	165,261	173,934	191,282
Venezuela	3	509,595	505,673	497,829	512,596	511,674	509,831

ESTADOS PARTICIPANTES – PARTICIPATING STATES

Colombia	2	214,248	220,963	234,395	210,090	212,648	217,764
Costa Rica	2	70,660	84,933	113,479	66,503	76,618	96,849
Ecuador	2	684,184	666,166	630,131	680,026	657,851	613,500
El Salvador	2	23,410	40,170	73,689	19,252	31,855	57,059
España	4	550,709	539,716	517,730	559,486	557,270	552,839
France	4	33,485	49,714	82,173	42,262	67,269	117,282
Guatemala	2	17,092	34,185	68,369	12,935	25,869	51,739
Japan	4	524,013	514,425	495,250	532,790	531,979	530,358
México	3	1,307,676	1,256,843	1,155,176	1,309,986	1,261,462	1,164,415
Nicaragua	1	17,092	34,185	68,369	6,467	12,935	25,869
Panamá	2	43,964	59,642	90,998	39,807	51,327	74,368
USA	4	730,853	710,379	669,431	739,630	727,933	704,539
Vanuatu	2	141,940	152,462	173,504	137,783	144,146	156,874
Venezuela	3	426,523	422,066	413,153	428,832	426,685	422,392

* These tables are based on complete and accurate 1998 catch data, and supersede the tables presented at the meeting

¹ Exportaciones e importaciones de producto no procesado o ligeramente procesado solamente – Exports and imports of unprocessed or slightly processed product only

² Ponderación--Weighting: Cat 1: 1; Cat 2: 2; Cat 3: 3; Cat 4: 4.

Appendix 5.

Ejemplos de distribución de presupuesto 2 – Example budget allocations 2*

Presupuesto total AF 2001 – Total budget FY 2001 = US\$ 4,785,849

Todo en US\$. Ejemplos incluyen cuota básica + cuota de participación en la pesquería, en tres proporciones.

Participación = captura 1998 + utilización 1996; Utilización = descargas – exportaciones + importaciones¹.

Participación indizada en todos los casos, por cuatro categorías del Banco Mundial, más Categoría 5 (países de Categoría 4 Partes del Acuerdo sobre el Programa Internacional para la Conservación de los Delfines)².

All in US\$. Examples include base payment + payment for participation in the fishery, in three proportions.

Participation = 1998 catch + 1996 utilization; Utilization = unloadings – exports + imports¹.

Participation indexed in all cases, by four World Bank categories, plus category 5 (Category 4 countries Parties to the Agreement on the International Dolphin Conservation Program)².

ESTADOS MIEMBROS – MEMBER STATES

	Cat	Cuota básica fija – Fixed base payment			Cuota básica indizada – Indexed base payment		
		5%:95%	10%:90%	20%:80%	5%:95%	10%:90%	20%:80%
Costa Rica	2	53,923	73,984	114,106	41,937	50,011	66,158
Ecuador	2	422,368	423,037	424,375	410,382	399,064	376,428
El Salvador	2	25,548	47,102	90,210	13,561	23,128	42,263
France	4	34,059	55,165	97,378	36,723	60,493	108,033
Japan	4	402,286	404,012	407,463	404,949	409,339	418,118
México	3	1,055,148	1,022,513	957,242	1,052,928	1,018,073	948,363
Nicaragua	1	21,754	43,508	87,015	4,884	9,767	19,534
Panamá	2	37,892	58,796	100,605	25,905	34,822	52,658
USA	5	2,164,959	2,073,913	1,891,820	2,240,875	2,225,746	2,195,486
Vanuatu	2	96,730	114,538	150,153	84,743	90,564	102,206
Venezuela	3	471,182	469,282	465,481	468,962	464,842	456,602

ESTADOS PARTICIPANTES – PARTICIPATING STATES

Colombia	2	123,362	134,861	157,859	114,521	117,179	122,496
Costa Rica	2	45,966	61,539	92,684	37,125	43,857	57,321
Ecuador	2	376,663	374,831	371,166	367,822	357,149	335,802
El Salvador	2	20,498	37,411	71,237	11,657	19,729	35,874
España	4	376,625	374,794	371,134	380,161	381,867	385,279
France	4	28,137	44,648	77,670	31,673	51,721	91,815
Guatemala	2	17,092	34,185	68,369	8,251	16,503	33,006
Japan	4	358,638	357,754	355,987	362,174	364,827	370,132
México	3	944,613	912,889	849,440	944,024	911,710	847,082
Nicaragua	1	17,092	34,185	68,369	4,126	8,251	16,503
Panamá	2	31,577	47,907	80,567	22,736	30,225	45,203
USA	5	1,940,723	1,856,571	1,688,269	2,006,145	1,987,416	1,949,958
Vanuatu	2	84,387	97,937	125,038	75,546	80,256	89,675
Venezuela	3	420,476	416,338	408,061	419,887	415,159	405,703

* These tables are based on complete and accurate catch data, and supersede the tables presented at the meeting

¹ Exportaciones e importaciones de producto no procesado o ligeramente procesado solamente – Exports and imports of unprocessed or slightly processed product only

² Ponderación--Weighting: Cat 1: 1; Cat 2: 2; Cat 3: 4; Cat 4: 5; Cat 5: 20.